

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1696 – SB 1762

February 22, 2016

**SUMMARY OF ORIGINAL BILL:** Redefines the powers of the Board of Trustees of the University of Tennessee system (UT Board of Trustees or Board) to include: employing a chief executive officer of the University of Tennessee system who shall also serve as the president of the system; defining the president's duties; establishing the salaries and terms of employment of the president, administrative personnel, professors, teachers, and other officers and employees of the system or the individual institutions.

Authorizes the UT Board of Trustees to remove the President, chief executive officers of the Tennessee system institutions, or any other officer or employee of the system or institution. Requires the Board to receive the recommendation of the President prior to the dismissal of a Chief Executive Officer of an institution and grants the Board the final authority to make such decisions. The chief executive officers of the system institutions shall report directly to the President of the system. Authorizes the President of the University of Tennessee to appoint a general advisory committee with approval of the UT Board of Trustees and removes the power from the Governor. Authorizes the Board, rather than the President of the University of Tennessee, to appoint the Executive Director of the Institute for Public Service.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

**SUMMARY OF AMENDMENT (012682):** Deletes all language after the enacting clause. Defines the powers of the Board of Trustees for the University of Tennessee (the Board). Grants the Board the following powers: to employ a President of the UT system; to confirm the appointment of all system personnel including the President; to remove the President and other personnel; to establish salaries for all personnel; to adopt policies governing the granting and removal of tenure for faculty members; to exercise general control and oversight of the University of Tennessee (UT) system; to establish a mechanism by which a person may bring an issue to the attention of the Board and provide notice of that mechanism to the public; to provide reasonable opportunity for the public to address the Board or a Board committee concerning issues relevant to the responsibilities of the Board; to name buildings owned by UT; and to exercise all powers and take all actions necessary for the accomplishment of the university's mission and the responsibilities of the Board.

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Authorizes the Board, rather than the President of UT, to appoint the Executive Director of the Institute for Public Service. Authorizes the President of UT to appoint a general advisory committee with approval of the Board and removes the power from the Governor.

Establishes and sets forth responsibilities of the following standing committees of the Board: Academic Affairs and Student Success; Advancement and Public Affairs; Athletics; Audit and Compliance; Executive and Compensation; Finance and Administration; Health Affairs; Research; Outreach; and Economic Development; Trusteeship; and University Life.

## **FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:**


**Unchanged from the original fiscal note.**

Assumptions for the bill as amended:

- No change in number of employees of the UT system or its member institutions.
- No change in salary, benefits, or other compensation for UT system or member institution employees.
- No change in the composition of the Board.
- The Board will exercise the powers granted to it by this legislation in the normal course of business.
- No fiscal impact on state government.

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

/rbp